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1. In the opinion of alleged Yugoslav experts, exploitation of the Velenje coal mine can last for an additional four hundred years since a stratum of coal 40 to 60 meters thick extending over a region of several square kilometers has been found at a depth of 300 meters under the earth's level.
2. The initial construction opening the new pit began in 1948 and currently modern mining devices are being installed to make the mine one of the most modern in Europe. The new pit is located about 1,500 meters from the old mine. In the past three years a large machine hall has been completed. An elevator shaft 42.5 meters high and constructed of steel and cement has also been completed. The new pit's chief characteristic is that coal will not be lifted by cars but by an elevator hoist which can lift 7.5 tons of coal at a time. The hoist will carry the coal to the separation process point and from there it will be transported by railroad. The hoist is a [redacted] device, which was received from UNRRA. It will enable the new Velenje pit to produce twice as much as any other coal pit of the same proportions. All the electric machinery necessary in the use of the hoist was also received from UNRRA.
3. Engineer Bogdan Okretic of Zagreb is director of installations at the new pit and he is assisted by eighteen engineers and technicians, some of whom are foreigners. Among the German engineers, the most outstanding is Engineer Kurt Schenkel from Mannheim who was director of all Slovene coal mines during the German occupation. Work on the installations began in October 1950 and was to be completed in March 1951 after receipt of the remainder of the necessary machinery [redacted] which is reportedly already enroute. Four groups of men are engaged on the installations, each group composed of three engineers, four technicians and 12 to 15 skilled specialists. The pit installation, which is 385 meters deep must be completed by mid-February 1951.
4. Various Yugoslav factories have already constructed the devices necessary for work in the pit, including four cranes (2 to 5 ton capacity) and different sized sieves for separating the course from the fine material. Metals of Maribor, Store of Celje, Litostroj of Ljubljana and Trbovlje mining workshops contributed this equipment.

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CENTRAL INTELLIGENCE AGENCY

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5. The new pit is connected with the old Velenje pit by a tunnel through which machinery is transported. The tunnel is to be widened to permit the passing of mining cars drawn by an electric locomotive on narrow gauge track. Engineer Marion Hmelj directed the planning of this project which has been approved by the Slovene Mining Directorate.
6. A normal gauge railroad line to the new pit is also under construction with completion planned for July 1951. Eight youth brigades, with eighty boys and girls to each brigade, "volunteers" from Velenje and the surrounding area and Army personnel aid in the construction.
7. The beginning of operations for the new pit was planned for July 1, 1951, provided the high tension cable, ordered a year and a half earlier from the Novkarel Factory in Novi Sad, was received in time. The possibility that machinery still to be imported [REDACTED] would not be received in time has also been considered. Technical Manager of the new pit is Engineer Viktor Petric, a Slovene from Maribor. 50X1-HUM
8. Since the Velenje lignite is high in calories, a large power station is under construction in Sostanj which will have the same capacity as the other power station on the Drava River. The Sostanj power plant was to be completed by the middle of 1952 and it is planned that it will utilize half the coal production of the Velenje mine.

[REDACTED] Comment: In July 1950 the Yugoslav press reported that a tunnel of 1200 meters, connecting two pits of the Velenje mine, had been completed.

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